

WEDNESDAY, JANUARY 15, 2003

SECOND ORGANIZATIONAL DAY

CALL TO ORDER

The Senate met at 9:00 a.m., and was called to order by Mr. Speaker Wilder.

PRAYER

The proceedings were opened with prayer by Dr. Steve Flatt, President of David Lipscomb University, in Nashville, Tennessee, a guest of Mr. Speaker Wilder.

PLEDGE OF ALLEGIANCE

Senator Kurita led the Senate in the Pledge of Allegiance to the Flag.

ROLL CALL

The roll call was taken with the following results:

Present 33

Senators present were: Atchley, Beavers, Bryson, Burchett, Burks, Clabough, Cohen, Cooper, Crowe, Crutchfield, Dixon, Ford, Fowler, Graves, Harper, Haynes, Henry, Herron, Jackson, Ketron, Kurita, Kyle, McLeary, McNally, Miller, Norris, Person, Ramsey, Southerland, Trail, Walker, Williams and Mr. Speaker Wilder--33.

INTRODUCTION OF BILLS

Senate Bill No. 6 by Senator Herron.

Sharon -- Subject to local approval, allows recorder/treasurer and marshal to be county residents instead of town residents. Amends Chapter 177 of the Acts of 1901.

Senate Bill No. 7 by Senator Cooper.

Public Contracts -- Requires prior review by fiscal review committee of non-competitively bid contracts. Amends TCA Title 4 and Title 12.

Senate Bill No. 8 by Senator Cooper.

TennCare -- Requires comptroller's actuarial report to make findings for TennCare Medicaid and TennCare Standard and to make estimates for TennCare Assist if it has not become active. Amends TCA Title 3; Title 4; Title 29; Title 33; Title 36; Title 37; Title 41; Title 47; Title 49; Title 50; Title 56; Title 63; Title 68 and Title 71.

Senate Bill No. 9 by Senator Cooper.

Business and Commerce -- Expands antitrust law to cover services and monopolistic practices. Amends TCA Title 47; Title 56; Title 63; Title 68 and Title 71.

Senate Bill No. 10 by Senator Cooper.

Health Care -- Requires insurance companies and HMOs to permit insureds to use any willing provider and to compensate such providers at uniform level of reimbursement. Amends TCA Titles 56, 63, 68, and 71.

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Senate Bill No. 11 by Senator Fowler.

Federal Aid -- Terminates any federally-funded program in which federal funding drops below 40 percent of total program cost unless program is specifically continued by General Assembly. Amends TCA Title 4, Chapter 4, Part 1.

SENATE BILLS ON SECOND CONSIDERATION

The Speaker announced that **Senate Bills Nos. 1 through 5** passed second consideration and were held on the Clerk's desk pending the appointment of the appropriate committees.

INTRODUCTION OF RESOLUTIONS

The Speaker announced the following resolutions were filed for introduction. Pursuant to Rule 21, the resolutions lie over.

Senate Joint Resolution No. 4 by Senator Cooper.

Memorials, Professional Achievement -- Anne B. Pope, Commissioner of Commerce and Insurance.

Senate Joint Resolution No. 5 by Senators Crutchfield and Atchley.

General Assembly -- Approves report of committee appointed to audit reports of comptroller and treasurer.

Senate Joint Resolution No. 6 by Senators Crutchfield and Atchley.

General Assembly, Joint Conventions -- Calls joint convention to elect comptroller and state treasurer on January 15, 2003, at 10:00 a.m. (CST).

RESOLUTIONS LYING OVER

Senate Joint Resolutions Nos. 1 through 3 and **House Joint Resolutions Nos. 5 through 7** were held on the Clerk's desk pending the appointment of the appropriate committees.

PRESENTATION

Senator Cohen made a presentation on the lottery.

APPOINTMENT OF STANDING COMMITTEE

The Speaker announced the appointment of the Committee on Rules:

Senator Kyle, Chairperson; Senator Atchley, Senator Crutchfield, Senator Kurita and Senator McNally.

MOTION

Senator Crutchfield moved that the rules be suspended for immediate introduction of **Senate Joint Resolution No. 7**, which motion prevailed.

INTRODUCTION OF RESOLUTION

Senate Joint Resolution No. 7 by Senators Crutchfield and Harper.

General Assembly, Joint Conventions -- Calls joint convention for purpose of inaugurating Honorable Phil Bredesen as Governor on Saturday, January 18, 2003; adjourns organizational session and convenes regular session on January 18, 2003; recesses regular session until February 3, 2003.

MOTION

Senator Crutchfield moved that Rule 38 be suspended for the purpose of placing the following resolutions on a consent calendar for today, January 16, 2003, which motion prevailed: **Senate Joint Resolution No. 7** and **House Joint Resolutions Nos. 4, 5 and 6**.

CONSENT CALENDAR

Senate Joint Resolution No. 7 -- General Assembly, Joint Conventions -- Calls joint convention for purpose of inaugurating Honorable Phil Bredesen as Governor on Saturday, January 18, 2003; adjourns organizational session and convenes regular session on January 18, 2003; recesses regular session until February 3, 2003.

House Joint Resolution No. 4 -- General Assembly -- Approves report of committee appointed to audit reports of comptroller and treasurer.

House Joint Resolution No. 5 -- General Assembly, Joint Conventions -- Provides for counting votes and declaring results of November election for Governor during joint convention to elect comptroller and state treasurer.

House Joint Resolution No. 6 -- General Assembly, Joint Conventions -- Calls joint convention to elect comptroller and state treasurer on January 15, 2003, at 10:30 a.m. (CST).

Senator Crutchfield moved that all Senate Joint Resolutions be adopted; and all House Joint Resolutions be concurred in, which motion prevailed by the following vote:

Ayes 31
Noes 0

Senators voting aye were: Atchley, Beavers, Bryson, Burchett, Burks, Clabough, Cohen, Cooper, Crowe, Crutchfield, Dixon, Ford, Fowler, Graves, Harper, Haynes, Henry, Herron, Ketron, Kurita, Kyle, McLeary, Miller, Norris, Person, Ramsey, Southerland, Trail, Walker, Williams and Mr. Speaker Wilder--31.

A motion to reconsider was tabled.

RECESS

Senator Crutchfield moved the Senate recess and repair in a body to the House Chamber to meet the House of Representatives in Joint Convention for the purpose of the election of the Constitutional Officers, and further moved that at the conclusion of the Joint Convention that the Senate adjourn until 9:00 a.m., Thursday, January 16, 2003, which motion prevailed by the following vote:

Ayes 32
Noes 0

Senators voting aye were: Atchley, Beavers, Bryson, Burchett, Burks, Clabough, Cohen, Cooper, Crowe, Crutchfield, Dixon, Ford, Fowler, Graves, Harper, Haynes, Henry, Herron, Ketron, Kurita, Kyle, McLeary, McNally, Miller, Norris, Person, Ramsey, Southerland, Trail, Walker, Williams and Mr. Speaker Wilder--32.

**IN JOINT CONVENTION
ELECTION OF CONSTITUTIONAL OFFICERS**

CALL TO ORDER

Mr. President Wilder called the Joint Convention to order pursuant to **House Joint Resolution No. 6**.

ROLL CALL

Mr. President Wilder declared a quorum was present.

On motion of Senator Crutchfield, the roll call of the Senate was dispensed with.

On motion of Representative McMillan, the roll call of the House was dispensed with.

Mr. Russell Humphrey, Chief Clerk of the Senate, read **House Joint Resolution No. 6**, authorizing the Joint Convention for the election of Comptroller and State Treasurer.

Mr. President Wilder declared the first order of business was to adopt the Report of the Select Committee to Canvass Returns on the Governor's Race.

MOTION

Speaker Pro Tempore DeBerry moved that the Report of the Select Committee to Canvass Returns on the Governor's Race be adopted and spread upon the Journal, which motion prevailed.

**REPORT OF SELECT COMMITTEE
TO CANVASS RETURNS ON THE GOVERNOR'S RACE
PURSUANT TO HOUSE JOINT RESOLUTION NO. 5**

The joint committee appointed to canvass and certify the results of the November 5, 2002, general election for the office of Governor of the State of Tennessee has met and reports the following results:

Phil Bredesen	837,284
Van Hilleary	786,803
David Gatchell	2,991
Gabriel Givens	1,591
James E. Herren	1,210
John Jay Hooker	4,577
Ray Ledford	1,589
Marivuana Stout Leinoff	645

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Basil J. Marceaux I	302
Edwin C. Sanders	7,749
Ronny Simmons	630
Francis E. Waldron	635
Robert O. Watson	579
Carl Two Feather Whitaker	5,308
Charles V. Wilhoit, Jr.	898
Write-ins	376

Submitted by:

/s/ Senator Roscoe Dixon (Co-Chair)

/s/ Senator Joe Haynes

/s/ Senator Ron Ramsey

/s/ Representative Lois DeBerry (Co-Chair)

/s/ Representative Kim McMillan

/s/ Representative Tre Hargett

Mr. President Wilder declared the next order of business was to adopt the report of the Select Committee to Review the Audits and Operations of the Comptroller of the Treasury and the Department of the Treasury.

MOTION

Senator Cooper moved that the report of the Select Committee to Review the Audits and Operations of the Comptroller of the Treasury and the Department of the Treasury be adopted and spread upon the Journal, which motion prevailed.

REPORT OF THE SELECT COMMITTEE TO REVIEW THE AUDITS AND OPERATIONS OF THE COMPTROLLER OF THE TREASURY AND THE DEPARTMENT OF THE TREASURY

On January 14, 2003, the select committee appointed by the Speaker of the Senate and Speaker of the House of Representatives, pursuant to Tennessee Code Annotated, Sections 8-4-102 and 8-5-102, to review the audits and operations of the Comptroller of the Treasury and the Department of the Treasury met in Room 31 of the Legislative Plaza. The select committee is composed of Senator Jerry W. Cooper, Senator Don McLeary, Senator Mike Williams, Representative Tre Hargett, Representative Kim McMillan, and Representative Randy Rinks. A quorum was present. Mr. Art Hayes, Director, Division of State Audit, presented the following information to the committee:

1. An audit report of the Comptroller of the Treasury for the fiscal year ended June 30, 2002.
2. An audit report of the Department of the Treasury for the fiscal year ended June 30, 2002.

Representative McMillan moved that the committee accept the audit of the Comptroller of the Treasury as being properly conducted and in compliance with all laws and to report such action to the Senate and House of Representatives. Representative Hargett seconded the motion which carried unanimously.

Senator Williams moved that the committee accept the audit of the Department of the Treasury as being properly conducted and in compliance with all laws and to report such action to

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the Senate and House of Representatives. Senator McLeary seconded the motion which carried unanimously.

There being no further business, the committee adjourned, sine die.

/s/ Senator Jerry Cooper
Chairman
/s/ Senator Don McLeary
/s/ Senator Mike Williams

/s/ Representative Randy Rinks
Chairman
/s/ Representative Kim McMillan
/s/ Representative Tre Hargett

ELECTION OF TREASURER

Mr. President Wilder declared the next order of business was the election of the State Treasurer and that nominations were now in order.

Senator Crutchfield placed in nomination the name of the Honorable Steve Adams of Williamson County.

Representative McMillan seconded the nomination of Mr. Adams.

Senator Atchley seconded the nomination of Mr. Adams.

Representative Miller moved that the nominations cease and the Honorable Steve Adams be elected by acclamation, which motion prevailed.

Thereupon, Mr. President Wilder declared the Honorable Steve Adams duly, legally and constitutionally elected State Treasurer for the ensuing two years.

APPOINTMENT OF SELECT COMMITTEE

Mr. President Wilder appointed a Committee composed of Senators Dixon, Kurita, McCleary and Ramsey; Representatives Vaughn, Harmon and Sontany to escort Mr. Adams to the Well.

OATH OF OFFICE

The Honorable Frank Drowota, Chief Justice of the Tennessee Supreme Court, administered the Oath of Office to Mr. Adams.

Mr. Treasurer Adams made remarks.

ELECTION OF COMPTROLLER OF THE TREASURY

Mr. President Wilder declared the next order of business was the election of the Comptroller of the Treasury and nominations were now in order.

Representative McMillan placed in nomination the name of the Honorable John Morgan of Williamson County.

Senator Dixon seconded the nomination of Mr. Morgan.

Representative McDaniel seconded the nomination of Mr. Morgan.

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Senator McNally moved that the nominations cease and the Honorable John Morgan be elected by acclamation, which motion prevailed.

MR. PRESIDENT WILDER RELINQUISHES CHAIR

Mr. President Wilder relinquished the Chair to Mr. Speaker Naifeh as President.

Thereupon, Mr. President Naifeh declared the Honorable John Morgan duly, legally and constitutionally elected Comptroller of the Treasury for the ensuing two years.

APPOINTMENT OF SELECT COMMITTEE

Mr. President Naifeh appointed a committee composed of Senators Clabough, Harper and Henry; and Representatives Head, Kent and Langster to escort Mr. Morgan to the Well.

OATH OF OFFICE

The Honorable Frank Drowota, Chief Justice of the Tennessee Supreme Court, administered the Oath of Office to Mr. Morgan.

Mr. Comptroller Morgan made remarks.

DISSOLUTION OF JOINT CONVENTION

Mr. President Naifeh declared, pursuant to **House Joint Resolution No. 6**, the purpose for which the Joint Convention was assembled having been accomplished, the Joint Convention stood dissolved.

MESSAGE FROM THE HOUSE

January 15, 2003

MR. SPEAKER: I am directed to transmit to the Senate, House Joint Resolutions Nos. 1, 2 and 3; adopted, for the Senate's action.

BURNEY T. DURHAM,
Chief Clerk.

MESSAGE FROM THE HOUSE

January 15, 2003

MR. SPEAKER: I am directed to transmit to the Senate, House Joint Resolution No. 4, adopted, for the Senate's action.

BURNEY T. DURHAM,
Chief Clerk.

MESSAGE FROM THE HOUSE

January 15, 2003

MR. SPEAKER: I am directed to transmit to the Senate, House Joint Resolutions Nos. 4, 5 and 6; for the signature of the Speaker.

BURNEY T. DURHAM,
Chief Clerk.

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SIGNED

January 15, 2003

The Speaker announced that he had signed the following: House Joint Resolutions Nos. 4, 5 and 6.

ENGROSSED BILLS

January 15, 2003

MR. SPEAKER: Your Chief Engrossing Clerk begs leave to report that we have carefully examined Senate Joint Resolution No. 7, and find same correctly engrossed and ready for transmission to the House.

PATRICK W. MERKEL,
Chief Engrossing Clerk.

ADJOURNMENT

Pursuant to Senator Crutchfield's motion, the Senate adjourned until 9:00 a.m., Thursday, January 16, 2003.